

29 September 1970

## MEMORANDUM

SUBJECT: Agenda Items: 40 Committee Meeting 29 September

1. Felipe Herrera and the IDB loan to UTE.

Suggest that Herrera-approved Inter-American Development Bank loan be brought to the attention of [REDACTED] (Attached find an outline of the story which might be passed to [REDACTED])

2. Korry's Economic Denial Recommendations.

To table for discussion. We understand from our Station that Ambassador believes strongly that action should be taken on his proposals, and is impatient to receive marching orders. (The Korry economic recommendations and a translation of Finance Minister Zaldivar's speech of 23 September are attached.)

3. Uneasiness of Ambassador Lodge.

Our Station Chief has relayed the concern expressed by Ambassador Lodge that the U.S. is not being positive enough in facing potential threat in Chile. After an exchange with the Department on 23 and 24 September (Ambassador's outgoing was [REDACTED] the Ambassador stated his intention to write the President. It is the view of our Station Chief that it would be beneficial if Ambassador Lodge received some definite indication from Washington that the 40 Committee is taking some positive action.

Approved for Release  
July 2000